

## Message Text

LIMITED OFFICIAL USE

PAGE 01 CARACA 10928 102213Z

11  
ACTION ARA-10

INFO OCT-01 ISO-00 EB-07 COME-00 SY-05 /023 W  
----- 065199  
R 102147Z SEP 76  
FM AMEMBASSY CARACAS  
TO SECSTATE WASHDC 4720

LIMITED OFFICIAL USE CARACAS 10928

FOR ARA/AND/SY

E.O. 11652: N/A  
TAGS: ASEC, BEXP, VE  
SUBJECT: SECURITY COMPROMISE

REF: CARACAS 9979

1. CARACAS 9979 ON THE SUBJECT MAJOR PROJECT: RAILROAD WAS TRANSMITTED 8/18/76 CLASSIFIED LOU. PARA FIVE OF THIS MESSAGE MENTIONED AN OPINION EXPRESSED BY ERIC NATHAN, A VENEZUELAN NATIONAL WHO IS A SALARIED AGENT OF MK HIRED TO REPRESENT THE US CONSORTIUM SEEKING THE RAILROAD CONSTRUCTION CONTRACT IN VENEZUELA. MENTION WAS MADE OF ANOTHER BUSINESSMAN'S TIE WITH THE MINISTER OF COMMUNICATIONS, GIVING RISE TO THE SECURITY CLASSIFICATION.
  2. THIS MESSAGE WAS APPARENTLY TRANSMITTED TO DR. N.A. BITTENBINDER, VICE PRESIDENT OF PULLMAN-SWINDELL WHO IN TURN PASSED IT TO MR. FRANK H. PEAVEY, VICE PRESIDENT, LATIN AMERICA OF MORRISON-KNUDSEN CO., INC. THE LATTER EXECUTIVE HAND CARRIED THE MESSAGE TO VENEZUELA AND SHOWED IT TO NATHAN WHO HAS PROTESTED TO THE EMBASSY THIS BREACH IN CONFIDENTIALITY.
  3. ACCORDING TO PEAVY THE COPY HE HAD RECEIVED WAS OVER-MARKED "CONFIDENTIAL" AND BORE THE HANDWRITTEN NOTATION "SMITH TR/MEPD" AS WELL AS THE ORIGINAL LOU
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CLASSIFICATION.

4. NATHAN'S FUTURE CONCERN IS THAT DR. BITTENBINDER, WHOSE COMPANY HAS A SEPARATE WORKING RELATIONSHIP WITH ONE OF NATHAN'S COMPANY'S COMPETITORS, WILL ALSO BRING THIS TELEGRAM TO VENEZUELA AND SHOW IT AROUND. THE REPERCUSSION COULD ALSO INEVITABLY INVOLVE THE EMBASSY AS THE SOURCE OF THE REPORT.

5. ACTION REQUEST: DEPARTMENT OF STATE IS REQUESTED TO EITHER RETRIEVE THE COPY IN THE POSSESSION OF DR. BITTENBINDER (HIS TELEPHONE: 412-562-7035) OR ASK HIM TO DESTROY IT AND TO ADMONISH MEPD TO REFRAIN FROM TRANSMITTING CLASSIFIED MESSAGES TO THE AMERICAN BUSINESS COMMUNITY.  
VAKY

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 SEP 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** blochd0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976CARACA10928  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760343-0744  
**From:** CARACAS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760974/aaaaclei.tel  
**Line Count:** 76  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 CARACAS 9979  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** blochd0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 JUL 2004 by ShawDG>; APPROVED <02 NOV 2004 by blochd0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SECURITY COMPROMISE  
**TAGS:** ASEC, BEXP, VE  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006